

## Message Text

CONFIDENTIAL

PAGE 01 CARACA 01236 011730Z

42

ACTION ARA-06

INFO OCT-01 SS-14 ISO-00 SSO-00 NSCE-00 INRE-00 H-01 RSC-01

SP-02 EB-03 L-01 INR-05 CIAE-00 PRS-01 NSC-05 /040 W

----- 127056

O 011700Z FEB 75

FM AMEMBASSY CARACAS

TO SECSTATE WASHDC NIACT IMMEDIATE 7505

C O N F I D E N T I A L CARACAS 1236

LIMDIS

E.O. 11652: GDS

TAGS: ENRG OREP VE

SUBJ: IMPENDING VISIT TO VENEZUELA OF SENATE FINANCE COMMITTEE

ADVISER ROBERT BEST

1. CARACAS'S TWO LEADING NEWSPAPERS, NACIONAL AND UNIVERSAL, THIS MORNING FRONT-PAGE IN HEAVY HEADLINES THAT "A NORTH AMERICAN SENATOR IS COMING NEXT WEEK TO CLEAR UP 'MISUNDERSTANDINGS.'" ANOTHER HEADLINE IN NACIONAL CITES BEST AS SAYING, "REASONABLE PRICES ON CRUDE WILL PERMIT PREFERENTIAL TARIFFS."

2. IN THE BODY OF THE STORY, WHICH IS CARRIED ONLY BY AP, BEST IS CITED AS COMING HERE NOT ONLY "TO EXPLAIN" THE U.S. POSITION BUT TO ATTEMPT SOME ARRANGEMENT WHEREBY IN RETURN FOR A REDUCTION IN THE PRICE OF PETROLEUM VENEZUELA COULD RECEIVE GENERALIZED PREFERENCES. HOWEVER, HE WENT ON TO ADD, ACCORDING TO THE AP WIRE, THAT "ECUADOR MIGHT BE EXEMPTED FROM OPEC RESTRICTIONS BECAUSE ITS OIL EXPORTS ARE NOT LARGE ENOUGH TO DISRUPT THE NATIONAL ECONOMY BUT THAT VENEZUELA WOULD BE PERMITTED PREFERENCES UNDER THE TRADE LAW ONLY IF IT SIGNED A BILATERAL TRADE AGREEMENT WITH THE UNITED STATES UNDER WHICH THAT COUNTRY (U.S.) WOULD BE ASSURED OIL SUPPLIES AT REASONABLE PRICES."

3. BEST'S ARRIVAL HERE, NOW SCHEDULED FOR NEXT MONDAY NIGHT, FEBRUARY 3, HAS THROWN U.S. CHAMBER OF COMMERCE INTO CONSTERNATION. THEY FEEL THAT IF BEST ARGUES PUBLICLY FOR A REDUCTION

CONFIDENTIAL

PAGE 02 CARACA 01236 011730Z

IN VENEZUELAN OIL PRICES IN RETURN FOR SOMETHING WHICH IS ONLY

DIMLY COMPREHENDED, CALLED "GENERALIZED PREFERENCES," THE XENOPHOBIA OF THIS COUNTRY WILL REACH A HIGHER PITCH. CERTAINLY AS THE EMBASSY SEES THE SITUATION, IF BEST DOES UNDERTAKE HIS APPOINTED MISSION, IT WILL GIVE PRESIDENT CARLOS ANDRES PEREZ ANOTHER OPPORTUNITY TO STRUT AS THE DEFENDER OF THE LATIN AMERICAN RIGHTS VIS-A-VIS THE UNITED STATES AND AS THE DETERMINED CHAMPION OF AT LAST GETTING BACK VENEZUELA'S JUST DUE BY MAINTAINING THE PRESENT PRICE OF OIL.

4. THERE IS NO, REPEAT NO, POSSIBILITY OF BEST'S NEGOTIATING AN AGREEMENT ALONG THE LINES OUTLINED IN THE PRESS STORY.

5. I REALIZE THE DELICACY OF THE EXECUTIVE BRANCH DEALING WITH THE LEGISLATIVE BRANCH BUT DO HOPE THAT BEFORE MR. BEST DEPARTS, SOMEONE WILL INFORM HIM AND SENATOR LONG OF THE JEOPARDY IN WHICH OUR RELATIONSWILLBE PLACED IF HE MAKES ANY BUT THE MOST ANODYNE PUBLIC STATEMENTS.

6. THE EXECUTIVE VICE PRESIDENT OF THE U.S. CHAMBER OF COMMERCE TELEPHONED ME THIS MORNING IN MUCH ANGUISH TO EXPRESS MORE OR LESS THE SAME SENTIMENTS AND TO SAY THAT HE IS ENDEAVORING TO TELEPHONE BEST IN WASHINGTON WITH THE SUGGESTION THAT HE DEFER HIS VISIT TO VENEZUELA. IF, HOWEVER, HE DOES ARRIVE NEXT MONDAY, THE SENIOR OFFICIALS OF AMCHAM WILL MEET HIM AND ENDEAVOR TH SEE THAT HE REFRAINS FROM A PRESS CONFERENCE. I PLAN TO GIVE HIM A PERSONAL BRIEFING AT 9:00 A.M. TUESDAY, ACCOMPANIED BY SENIOR AMCHAM OFFICERS.

7. THIS NEW DEVELOPMENT IS, TO SAY THE LEAST, DISAPPOINTING, ESPECIALLY IN VIEW OF THE FACT THAT ONLY IN THE FIRST THREE DAYS OF THE PRESENT WEEK BOTH VENEZUELAN AND AMERICANS IN THE SYMPOSIUM AT ENDICOTT HOUSE NEAR BOSTON HAD ACHIEVED A NEW FEELING OF MUTUAL RESPECT AND COMPREHENSION AND OF A READINESS TO CONCILIATE RATHER THAN TO CONFRONT.  
MCCLINTOCK

CONFIDENTIAL

NNN

## Message Attributes

**Automatic Decaptioning:** Z  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PRESS COMMENTS, VISITS, GENERALIZED PREFERENCES (TARIFFS)  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 01 FEB 1975  
**Decaption Date:** 28 MAY 2004  
**Decaption Note:** 25 YEAR REVIEW  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** GolinoFR  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975CARACA01236  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Film Number:** D750038-0149  
**From:** CARACAS  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1975/newtext/t19750281/aaaacuji.tel  
**Line Count:** 96  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION ARA  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** LIMDIS  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** LIMDIS  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** GolinoFR  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 12 SEP 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <12 SEP 2003 by izenbei0>; APPROVED <08 OCT 2003 by GolinoFR>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
05 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** IMPENDING VISIT TO VENEZUELA OF SENATE FINANCE COMMITTEE ADVISER ROBERT BEST  
**TAGS:** ENRG, OREP, VE, (BEST, ROBERT)  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006